

Message Text

CONFIDENTIAL

PAGE 01 STATE 058564
ORIGIN EUR-04

INFO OCT-01 ISO-00 /005 R

DRAFTED BY:EUR/RPE:JAPOLANSY
APPROVED BY:EUR/RPE/JAPOLANSKYJR
-----016865 081517Z /53
R 080019Z MAR 78
FM SECSTATE WASHDC
INFO AMEMBASSY MOSCOW 1481

C O N F I D E N T I A L STATE 058564

FOLLOWING REPEAT BRUSSELS 2908 ACTION ECSSTATE
INFO ALL EC CAPITALS BUCHAREST BUDAPEST PRAGUE SOFIA WARSAW
GENEVA FEB 15

QUOTE C O N F I D E N T I A L BRUSSELS 02908

USEEC

GENEVA ALSO FOR MTN

E.O.11652:GDS
TAGS: ETRD, GATT, MTN, EEC
SUBJECT: EC POLICY TOWARD EASTERN EUROPE IN MTN

REFS: (A) BRUSSELS 2646, (B) STATE 32338

1. POLITICAL COUNSELOR AND MISSION OFFICER HAD OPPORTU-
NITY FEBRUARY 13 TO DISCUSS SUBJECT WITH EC ADVISER FOR
RELATIONS WITH STATE TRADING COUNTRIES LOUIS KAWAN.
KAWAN EXPRESSED DISAPPOINTMENT THAT HE HAS NOT BEEN ABLE
TO GAIN U.S. SUPPORT FOR APPROACH HE HAS BEEN SUGGESTING
IN EC CIRCLES FOR OBTAINING TRADE CONCESSIONS FROM EAST
EUROPEANS DURING COURSE OF MTN. MISSION OFFICERS
REPEATED ARGUMENTS IN REF B WHICH KAWAN SAID HE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 058564

CONTINUES TO FIND NOT THOROUGHLY CONVINCING. KAWAN
ADDED THAT HE IS NOT SANGUINE THAT HIS OWN APPROACH
WOULD IN THE END PRODUCE RESULTS. HOWEVER, IN HIS
OPINION, THE IMPORTANT THING IS TO APPROACH THE EAST
EUROPEANS WITH CONCRETE DEMANDS. HE BELIEVES THEY
EXPECT THIS KIND OF APPROACH FROM DEVELOPED COUNTRIES
AND WOULD BE SURPRISED IF WE DO NOT SEEK REAL CONCESSIONS.

2. IN HIS OPINION, ALTERNATIVES SUGGESTED BY USG ARE ACCEPTABLE BUT INSUFFICIENT IN DEALING WITH EAST EUROPEANS. IN PARTICULAR, KAWAN BELIEVES THAT BUSINESS FACILITATION IS SOMETHING THAT EAST EUROPEANS WILL PROVIDE WHEN AND ONLY WHEN THEY JUDGE THAT IT IS TO THEIR BENEFIT. HE SEES NO POINT IN WESTERN REQUEST FOR SOMETHING WE WILL IN TIME BE GIVEN ANYWAY. NONETHELESS, KAWAN MADE CLEAR THAT EC WOULD SUPPORT U.S. REQUEST.

3. KAWAN ALSO SEES LITTLE BENEFIT IN SEEKING TARIFF CONCESSIONS FROM EAST EUROPEANS, INCLUDING POLAND. IN THIS REGARD, HE CLAIMED THAT POLES HAVE RECENTLY ADMITTED TO EC THAT THEY DO NOT IN FACT APPLY THEIR TARIFF TO OTHER EAST EUROPEAN COUNTRIES.

4. ON THE SPECIFIC QUESTION OF SECTORAL IMPORT COMMITMENTS (SICS), KAWAN CONFIRMED THAT MEMBER STATES HAD NOT BEEN INITIALLY ATTRACTED TO THE IDEA BUT THAT THEY HAD PROPOSED FEW ALTERNATIVES AND NOW SEEMED TO BE MOVING TOWARD ACCEPTANCE. KAWAN (AND IN A PREVIOUS CONVERSATION COMMISSION GATT DIRECTOR PHAN VAN PHI) INFORMED MISSION THAT, UNLIKE EC AGRICULTURAL REQUEST ALREADY ON THE TABLE, CHANCES WERE GOOD THAT INDUSTRIAL REQUESTS WOULD BE FORMULATED ON A GLOBAL BASIS I.E., REQUEST TO EAST EUROPEANS WOULD BE FOR QUOTAS OPEN QUOTE TO ALL GATT MEMBERS END QUOTE. KAWAN ADDED THAT EC WAS NOT THINKING

CONFIDENTIAL

PAGE 03 STATE 058564

OF BROAD REQUEST FOR SICS BUT ONLY FOR CERTAIN PRODUCTS.

5. KAWAN NOTED DENMAN'S OFFER IN REFTEL A TO DISCUSS QUESTION DURING FEBRUARY 20 US-EC BILATERALS IF U.S. SIDE WISHES, AND SAID HE WOULD PREPARE BRIEFING MATERIAL FOR DENMAN'S USE. HINTON. UNQUOTE VANCE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOBBYING, TRADE CONCESSIONS, INTERGOVERNMENTAL COOPERATION
Control Number: n/a
Copy: SINGLE
Draft Date: 08 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE058564
Document Source: CORE
Document Unique ID: 00
Drafter: EUR/RPE:JAPOLANSY
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780104-0630
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780392/aaaadadg.tel
Line Count: 99
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0dbd97cb-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 BRUSSELS 2646, 78 STATE 32338
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3403367
Secure: OPEN
Status: NATIVE
Subject: EC POLICY TOWARD EASTERN EUROPE IN MTN
TAGS: ETRD, EEWT, XT, XH, US, GATT, MTN, EEC, CEMA
To: MOSCOW
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0dbd97cb-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014